

STATE OF MICHIGAN
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2000
(In Thousands)

	CORRECTIONAL INDUSTRIES REVOLVING FUND	MOTOR TRANSPORT FUND	OFFICE SERVICES REVOLVING FUND	INFORMATION TECHNOLOGY AND ENERGY FUND
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ 7,292	\$ (4,554)	\$ (697)	\$ 2,423
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation	1,451	939	2,417	28,566
Amortization of prepaid expense	-	-	93	-
Interest (nonprogram) and investment income	-	-	-	-
Changes in assets and liabilities:				
Amounts due from other funds	-	-	-	-
Amounts due from federal agencies	-	-	-	20
Inventories	(1,379)	(19)	69	(474)
Other assets	363	446	79	(113)
Accounts payable and other liabilities	952	346	1,743	5,317
Amounts due to other funds	17	1,418	112	(15,640)
Deferred revenue	-	571	(5)	(410)
Net cash provided (used) by operating activities	<u>\$ 8,697</u>	<u>\$ (853)</u>	<u>\$ 3,811</u>	<u>\$ 19,690</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Loans or loan repayments from other funds	\$ -	\$ -	\$ -	\$ -
Loans or loan repayments to other funds	(2,000)	-	-	-
Operating transfers to other funds	<u>(257)</u>	<u>(24)</u>	<u>(36)</u>	<u>-</u>
Net cash provided (used) by noncapital financing activities	<u>\$ (2,257)</u>	<u>\$ (24)</u>	<u>\$ (36)</u>	<u>\$ -</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	\$ (2,752)	\$ (12)	\$ (2,714)	(5,684)
Principal paid on bond and loan maturities	-	-	-	(10,677)
Interest paid	(279)	-	-	-
Capital lease payments (including imputed interest expense)	-	-	(1,487)	(3,747)
Proceeds from sale of property, plant, and equipment	-	895	158	-
Net cash provided (used) by capital and related financing activities	<u>\$ (3,031)</u>	<u>\$ 883</u>	<u>\$ (4,043)</u>	<u>\$ (20,108)</u>
Net cash provided (used) - all activities	\$ 3,409	\$ 6	\$ (268)	\$ (417)
Cash and cash equivalents at beginning of year	1,284	(11)	(149)	(268)
Cash and cash equivalents at end of year	<u>\$ 4,693</u>	<u>\$ (6)</u>	<u>\$ (418)</u>	<u>\$ (685)</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS				
Per balance sheet classifications:				
Cash	\$ -	\$ -	\$ 21	\$ 34
Equity in common cash	5,298	-	-	-
Warrants outstanding	(605)	(6)	(439)	(719)
Cash and cash equivalents at end of year	<u>\$ 4,693</u>	<u>\$ (6)</u>	<u>\$ (418)</u>	<u>\$ (685)</u>
SCHEDULE OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Cost of capital assets acquisitions financed by capital leases	\$ -	\$ -	\$ 1,955	\$ 15,986
Capital lease liabilities entered into during the year	-	-	(1,955)	(15,986)
Contributed fixed assets	-	-	809	-
Gain (loss) on disposal of capital assets	(84)	-	(19)	-
Total noncash investing, capital, and financing activities	<u>\$ (84)</u>	<u>\$ -</u>	<u>\$ 790</u>	<u>\$ -</u>

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INTERNAL SERVICE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2000
(In Thousands)

	RISK MANAGEMENT FUND	STATE SPONSORED GROUP INSURANCE FUND	TOTALS SEPTEMBER 30, 2000	SEPTEMBER 30, 1999 (RESTATED*)
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ (869)	\$ 4,354	\$ 7,950	\$ (28,381)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation	-	-	33,373	29,090
Amortization of prepaid expense	-	-	93	-
Interest (nonprogram) and investment income	-	-	-	107
Changes in assets and liabilities:				
Amounts due from other funds	-	12,208	12,208	5,509
Amounts due from federal agencies	-	-	20	(20)
Inventories	-	-	(1,803)	(1,542)
Other assets	-	(9,834)	(9,058)	(6,814)
Accounts payable and other liabilities	824	8,238	17,420	6,465
Amounts due to other funds	1	-	(14,092)	6,650
Deferred revenue	(29)	-	128	376
Net cash provided (used) by operating activities	<u>\$ (73)</u>	<u>\$ 14,966</u>	<u>\$ 46,239</u>	<u>\$ 11,440</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Loans or loan repayments from other funds	\$ -	\$ -	\$ -	\$ (3,430)
Loans or loan repayments to other funds	-	-	(2,000)	(107)
Operating transfers to other funds	-	-	(317)	(270)
Net cash provided (used) by noncapital financing activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,317)</u>	<u>\$ (3,808)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	\$ -	\$ (2,650)	\$ (13,812)	\$ (23,812)
Principal paid on bond and loan maturities	-	-	(10,677)	(10,368)
Interest paid	-	-	(279)	(285)
Capital lease payments (including imputed interest expense)	-	-	(5,234)	(1,214)
Proceeds from sale of property, plant, and equipment	-	-	1,053	1,414
Net cash provided (used) by capital and related financing activities	<u>\$ -</u>	<u>\$ (2,650)</u>	<u>\$ (28,949)</u>	<u>\$ (34,265)</u>
Net cash provided (used) - all activities	\$ (73)	\$ 12,316	\$ 14,972	\$ (26,633)
Cash and cash equivalents at beginning of year	9,711	60,959	71,526	98,159
Cash and cash equivalents at end of year	<u>\$ 9,638</u>	<u>\$ 73,275</u>	<u>\$ 86,499</u>	<u>\$ 71,526</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS				
Per balance sheet classifications:				
Cash	\$ -	\$ 13	\$ 68	\$ 22
Equity in common cash	14,445	74,695	94,438	72,852
Warrants outstanding	(4,807)	(1,433)	(8,008)	(1,347)
Cash and cash equivalents at end of year	<u>\$ 9,638</u>	<u>\$ 73,275</u>	<u>\$ 86,499</u>	<u>\$ 71,526</u>
SCHEDULE OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Cost of capital assets acquisitions financed by capital leases	\$ -	\$ -	\$ 17,941	\$ 773
Capital lease liabilities entered into during the year	-	-	(17,941)	-
Contributed fixed assets	-	-	809	69
Gain (loss) on disposal of capital assets	-	-	(103)	(29)
Total noncash investing, capital, and financing activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 706</u>	<u>\$ 813</u>

* The prior amounts have been restated to correct errors and to reclassify amounts to new lines.